(b) whether Government propose to privatise IBP; and

(c) if so, the steps taken in that direction?

THE MINISTER OF THE DEPARTMENT OF DISINVESTMENT, MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCES OF THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS (SHRI ARUN SHOURIE): (a) to(c) The Government has taken a decision in principle in October, 2000 to disinvest 33.58 per cent of equity of the company through strategic sale. The process is in the preliminary stages.

Steps to achieve Disinvestment target

1474. SHRI P. PRABHAKAR REDDY: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether it is a fact that the entire disinvestment process of Government has been put under the scrutiny of the Parliamentary Committee attached to the Ministry of Finance;

(b) if so, the reasons therefor;

(c) whether this move reflects the failure of Government to carry on the disinvestment process to its logical conclusion; and

(d) if so, the steps proposed to be taken to achieve the targets set for disinvestment?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT, MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCES OF THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS (SHRI ARUN SHOURIE): (a) and (b) In accordance with the changes made in the Government of India (Allocation of Business) Rules 1961, the Department of Disinvestment has been placed under the jurisdiction of Parliamentary Standing Committee on Finance, for

examination of Demands for grants, basic long term policy documents, Annual Reports and bills pertaining to the Department as are referred to the Committee.

(c) No, Sir.

(d) Does not arise.

Disinvestment of IA and AI

1475. SHRI C.M. IBRAHIM:
DR. KARAN SINGH:

Will the Minister of DISINVESTMENT be pleased to state:

(a) what decision, if any, has since been taken on the proposed privatisation by way of disinvestment in respect of the Indian Airlines and the Air India;

(b) whether the proposals had run into rough weather; and

(c) if so, the details of the issue involved and how the same have been resolved?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT, MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCES OF THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS (SHRI ARUN SHOURIE): (a) The Government has, in accordance with its stated policy on disinvestment and after considering the recommendations of the Disinvestment Commission/ Expert Committee, decided in principle in May, 2000 to:

- disinvest 60% of the equity in Air India by way of sale of 40% equity in favour of a strategic partner, up to 10% to the employees and balance in favour of financial institutions and/or in the market.

- disinvest 51% of the equity in Indian Airlines by way of sale of 26% equity in favour of strategic partner, followed by sale of 25% equity to domestic Financial Institution, employees and other investors.